

Closed Session I (Malt-O-Meal) — April 5, 2010

At 5:44 p.m., the Board, convened closed session on a matter relating to the location or expansion of business in the area, pursuant to NCGS 143-318.11(a)(4). Commissioners Holmes, Frye, Kemp, Lanier and Haywood were present. Also present were County Manager Richard Wells; Will Massie, Finance Officer; Darren Allen, County Attorney; Aimee Scotton, Associate County Attorney; Cheryl Ivey, Clerk to the Board; and Bonnie Renfro from Randolph County EDC.

Bonnie Renfro, EDC President, updated the Board on a Malt-O-Meal expansion project in Asheboro, saying that the company is ready to move forward to add two new cereal lines to be online by mid-2012. There are two cereal lines and an oatmeal line currently in production. Expansion would create space for four additional lines, but only two will be added at this time. The project will provide 50 new jobs by mid-2012 and later, 50 additional jobs when the next two lines are added. Ms. Renfro said that the total capital investment is estimated at \$120 million (\$40 million in real property and \$80 million in personal property) with projected revenues of \$5,131,620 over the first six years of the project.

Ms. Renfro asked the Board to consider the following two incentive options:

- \$1.5 million for each unit of government (County and City of Asheboro) paid over 8 years to equal 60% of projected tax revenue for 6 years
- or
- \$1.28 million for each unit of government (County and City of Asheboro) paid over 8 years to equal 50% of projected tax revenue for 6 years

The consensus of the Board was to have Ms. Renfro offer the company the 50% option subject to what the City of Asheboro does.

Ms. Renfro said that the company will meet and consider the project either on May 6 or in July and approve the project contingent upon local and state incentives. Following approval of the project for Asheboro, a joint public hearing will need to be held by the City and the County.

Closed session on this topic ended at 6:05 p.m.

J. Harold Holmes, Chairman

Darrell L. Frye

Phil Kemp

Stan Haywood

Arnold Lanier

Cheryl A. Ivey, Clerk to the Board